

On

Communications

817 N.E. 63rd Street
Oklahoma City, OK 73105
(405) 843-9966 Phone
(405) 843-9852 Fax
November 21, 1997

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FCC MAIL ROOM

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

Re: Petition for Reconsideration With Respect to WT Docket 97-82

Dear Ms. Salas:

Please find attached with this letter, a copy of OnQue Communications, Incorporated ("OnQue") comments concerning reconsideration of the "C" and "F" options proposed to the License holders.

Sincerely,



Charles C. Curtis
President, OnQue Communications, Inc.

CCC:dlc

Attachments

No. of Copies rec'd CT8
List ABCOE

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November 20, 1997

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The Honorable William E. Kennard
Federal Communications Commission
1919 M Street, N. W.
Room 814
Washington, D. C. 20544

RE: Petition for Reconsideration WT Docket 97-82

Mr. Kennard:

OnQue Communications, Incorporated ("ONQ") participated in and received five C block licenses in Oklahoma, Texas and Washington State. Subsequent to the C block auction, ONQ also participated in and received three additional F block licenses in Arkansas and Texas. ONQ's parent company is a small consulting firm with total annual revenues under \$5 million. When the FCC issued the Public Notice DA 97-679, ONQ sent comments June 17 and reply comments July 2. ONQ's position was and still is restructuring the license debt in such a way that small businesses, who responded to the Congress and the FCC's policy toward entrepreneurs, can raise money to begin build-out of these licenses before the PCS A and B licensees enter the market with the cellular providers.

We would ask the new Commission to take a closer view of the C block financing problem. The financial community will only address funding options when stability occurs with the C block. Otherwise, they will take the position that something better might happen and decide not to take any position until then. The Commission's options outlined in the FNPRM does not provide any stability but instead introduces more discontent. If you logically deduce the proposed outcomes of each option, it is very clear the intent is to do away with the existing C block licensees and get a new batch of bidders to deal with. In other words, make the problem somehow disappear by sweeping it under the rug. Just as the C block bidders cannot make PCS happen without the financial community and the FCC, the FCC cannot make its policy work without the C block bidders and the financial community. It is imperative that everyone fully understands this reality that all three entities must make the policy goals work and if only one does not play a role, the entire policy has been severely compromised.

In order for ONQ and others involved with this issue to have any chance of survival, we must have a deferral of interest payments and these deferrals must be realistic with regards to the situation. Twenty-four month deferral from December 31, 1996 will at least give us the chance to either raise the money or take our losses. We already have an uphill battle because of the fact we are a designated entity, ie. convincing investors to take the risks on a small business. By deferring the interest payments we will have a chance to continue our fund raising efforts.

Aside from the interest deferral, the FCC should re-address the issue of paying off the debt early. If the money can be raised to do such a thing, the correct way to calculate the payment of remaining principle is to compare the retirement today with the alternative of receiving the retirement over time. The text book net present value equation should be used to calculate such an amount. In order to utilize a net present value equation to bring future dollar values back to today's equivalent, a competitive cost of money should be utilized with the entire down payment applied toward the net present value. Otherwise, there is no real option in retirement of the license debt early and the FCC will, consequently, receive either the net present value of the current principle over time or re-auction and receive a fraction of the current license face value from a new licensee. This isn't an overstated opinion but rather the historical nature of people and the value of money.

Back in August and September, we did everything we could to plead our case, not only to all the Commissioner's legal assistants, but also our Congressmen. We were told that a decision would be made by the 8th or 15th of August and that any correspondence from Congress would be valued. Not only did the 8th and 15th come and go, but after a litany of correspondence from Congress, the decision was made to ignore all pleas and save face. Our fate, as well as others, depends on the Commission's judgement in this issue and re-consideration of the FNPRM is essential to the survival of the same entities the Commission and Congress encouraged to participate in the first place. We appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles C. Curtis', with a long horizontal flourish extending to the right.

Charles C. Curtis
President

CCC/cc

cc: The Honorable Michael Powell
The Honorable Gloria Tristani
The Honorable Susan Ness
The Honorable Harold Furchtgott-Roth